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Section 285.305

AGREEMENT

Between

Consumers Illinois Water Company

and

Utility Workers Union of America

A.F.L. - C.I.O.

Local 467

January 1, 1998 to December 31, 2001

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PREAMBLE

1. This Agreement, made and entered into this 1st day of January, 1998, is by and between Consumers Illinois Water Company (hereinafter referred to as the "Company"), and its successors and assigns, and Utility Workers Union of America, A.F.L. - C.I.O., and its local union 467 (hereinafter collectively and severally referred to as the "Union"), and their successors and assigns.

ARTICLE I

Recognition

1. The Union, having been certified by the National Labor Relations Board in proceeding No. 38-RC-276, is hereby recognized by the Company as the exclusive bargaining representative for all its regular hourly maintenance and service employees. For purposes of clarification, the following employees are specifically excluded: clerical, sales, accounting and engineering department employees, guards, professional employees, crew leaders, and supervisors. Such regular hourly maintenance and service employees are hereinafter referred to as "employees."
2. An employee shall be considered probationary until he has been continuously employed for more than six months. During the period of probation, the Company has the exclusive right to discipline or discharge the employee without regard to any provisions of this Agreement, and such action shall not be subject to grievance and arbitration pursuant to Article XI. Upon completion of the probationary period, but not before, an employee will have seniority in accordance with the provisions of this Agreement (See Section 1, Article V).
3.
 - (a) Those hired for a definite time or definite job or jobs shall be considered "temporary employees." A temporary employee whose consecutive period of employment extends beyond 90 days shall be considered a probationary (See Article I, paragraph 2.) employee. The Company will notify a representative of Local 467 in writing whenever it hires any temporary employees and will answer questions by the Union about the duration and terms of their employment.
 - (b) When performing work normally performed by employees, a temporary employee shall be paid at least the minimum hourly rate set forth in Exhibit A for temporary help. A temporary employee may perform the work of any job classification that has an established spread in hourly rates. A temporary employee may also perform work in the Maintenance-Operator job classification provided the senior available Maintenance Worker receives upgraded pay.

4. (a) Persons employed for less than 20 hours per week shall be considered part time employees and are ineligible for any of the benefits of this agreement.
- (b) Work to be performed by part time employees will include grounds keeping, cleaning of drying beds, painting, and custodial duties.
5. The rights created by this Agreement can be modified at any time, before or after the specified benefits are earned, by agreement of the parties, and no rights under this Agreement shall accrue to anyone other than the Company or the Union. Local 467 in addition to the authority given it under the grievance procedure of this Agreement has authority to agree to any modification of this Agreement on behalf of Utility Workers of America. With the approval of the President of Local 467, the Company can put modifications of this Agreement into effect pending approval of the membership of the Local where approval by the membership is required. Nothing in the Section shall be construed as creating an obligation on the part of either party to bargain about changes in this Agreement.

ARTICLE II

Management Rights

1. No limitations on the actions of the Company are to be implied from the provisions of this Agreement or from past practices. For the period of this Agreement, the management of the Company, the supervision of all operations, the control of the property, the determination of job content, and the composition, assignment, and direction of the working forces belong to and are vested in the Company except as specifically and expressly limited by the Agreement.
2. No employee shall be disciplined or discharged without just cause. Examples of just cause are:
 - (a) Violation of a published Company rule, or order or directive issued by someone who normally issues such order or directive or by someone who has authority over the employee or the work;
 - (b) Negligent destruction or abuse of Company property or property furnished by the Company;
 - (c) Abuse of the benefits provided by this Agreement; or
 - (d) Improper performance of assigned work which he is qualified to perform.

Discipline shall be administered in a progressive manner. Oral warnings shall be issued for first offenses. If additional discipline is necessary, written warnings, suspension and discharge will follow as necessary. The Company reserves the right to repeat disciplinary steps as it sees proper for the violation. Also, the Company reserves the right to skip disciplinary steps when, in the opinion of the management, the violation is so severe to warrant deviation from the normal progressive disciplinary procedure.

Action taken in relation to an employee which is intended not to punish the employee for past conduct but to further the future conduct of the Company's business shall not be considered discipline within the meaning of this section.

The Company shall advise the President or other elected Officer of Local 467 of the circumstances which lead to any disciplinary action on the workday preceding such action or the workday following such action if the earlier notification is not reasonably practicable.

3. The Company shall not arbitrarily assign an employee to work outside his department or job classification but shall do so only where in the opinion of the Company there is a good reason for such assignment such as unavailability of work in his department or job classification, the circumstances make performance of work in his job or department classification difficult or inefficient, the performance of the work in the other department or job classification is more urgent or important than the performance of work in his department or job classification, or the circumstances necessitate the assignment to avoid hiring an employee who cannot be fully utilized in the other department or job classification. The Company will notify the President or other elected officer of Local 467 before making any unusual assignments between departments where such notification is reasonably practicable. At the request of the Union, the management shall promptly provide an explanation to the Union president of the basis for any unusual assignments made by management.
4.
 - (a) Except in case of emergency, work normally performed by employees shall not be performed by a supervisor unless work of that type has been performed in the past by supervisors or is described in a job description for such supervisor which has been furnished to the Union. An emergency exists whenever the performance of the work by the normal complement of employees would unreasonably delay the work. When using supervisors under the emergency exception, the Company will also use the number of employees which would normally be assigned to such work to the extent employees who normally perform such work are available and it is reasonably practicable to use them. At the request of the Union, the management shall promptly provide an explanation to the Union president of the alleged emergency which required the assignment of bargaining unit work to a supervisor.
 - (b) Except in case of emergency, a supervisor, acting alone, will not use a major piece of equipment or initiate and complete a construction or maintenance procedure. The only major pieces of equipment presently owned and utilized by the Company are backhoes, compressors, directional boring equipment and tapping machines (for taps four inches and larger).
5. Employees shall not be required to work out of doors in inclement weather on jobs which can reasonably be deferred until the weather conditions are less severe. It is understood that there are times in which work cannot be deferred as in cases of emergency, protection of life or property, or work to restore or maintain service to customers. When required to work in inclement weather, employees shall be provided with foul weather gear.

It shall be the responsibility of supervisors to determine when weather conditions are too severe for the work at hand with due regard to the general health and welfare of the employees concerned, the nature of work to be performed, temperature, wind velocity, precipitation, snow or ice accumulation on ground or structures, availability of shelter or combination of these factors. If requested to do so, the supervisor on the job will contact his immediate superior to review his decision.

ARTICLE III

Lockouts and Strikes

During the period of this Agreement the Company shall not lockout employees in a labor dispute, and neither the Union nor the employees shall picket, strike, slow down, or otherwise interrupt the work. Neither the Union nor its officers or representatives shall be liable for damages for such action by the employees if the Union and its officers and representatives have not authorized, ratified, encouraged, aided, or condoned such action and if they immediately notify each employee to cease such action, publicize generally their disapproval of such action and otherwise aid in getting the employees to cease such action. Employees who engage in such action, whether authorized by the Union or not, shall be subject to discharge or discipline.

ARTICLE IV

Union Security

1. Except as provided in this Article, there shall be no discrimination against any employee because of his affiliation or lack of affiliation with the Union.
2. All employees or temporary employees who have been employed for more than 30 calendar days shall thereafter, as a condition of continued employment, pay a monthly service charge to Local 467 equal to the regular monthly dues imposed by Local 467 or \$16.00 per month, whichever is lower. This requirement is conditioned on membership in Local 467 being available to all employees on reasonable terms and conditions applicable to all members. Any employee who fails to pay this service charge within 30 days after being notified in writing of his delinquency is subject to discharge. The Company will discharge such employee within 30 days after it has been notified in writing that the employee is subject to dismissal unless it has reasonable grounds to believe that such discharge would be a violation of law or this Agreement. The Union shall indemnify, defend, and save the Company harmless from any claims or liability arising out of any discharge made pursuant to the written direction of the Union.
3. (a) To the extent permitted by law, the Company shall deduct from the wages of any employee who authorizes it do so on a form approved by the parties' union dues as authorized by Local 467 or the service charge required by Section 2 of this Article. The Company will supply new employees with this form. The Company shall remit the sums so deducted to the Secretary-Treasurer of Local 467. The union shall indemnify, defend, and save the Company harmless from any claims or liability arising out of such deductions or the failure to make such deductions.
4. The Company shall provide space for the Union to erect two bulletin boards to be used only for posting the following notices concerning the business of Local 467:

- (a) Regular notice of meeting as to time, place and agenda;
 - (b) Notices of election of officers and the results of elections;
 - (c) Notice of appointment of officers.
5. The extent permitted by law, the Company shall deduct from the wages of any employee who authorizes it to do so on an approved form payments to a credit union which has been selected by the Company and the Union. The Union shall indemnify, defend, and save the Company harmless from any claims or liability arising out of such deductions or the failure to make such deductions.
 6. The Company will give each employee a copy of this Agreement.

ARTICLE V

Promotions, Recall and Layoffs

1. Seniority is the length of employment in a particular department of the Company. The departments of the Company are set forth in Exhibit A. When an employee is temporarily assigned to work outside his department, his seniority shall continue to accrue in his department. An employee loses all seniority when he is discharged for just cause or he resigns.
2. Every year the Company shall post on the Union bulletin boards and furnish to the President of Local 467 lists showing each employee's seniority. Such lists shall be considered correct except to the extent written objection thereto is filed within 30 days after they are posted.
3.
 - (a) If the Company desires to permanently fill a vacancy in a job classification, it shall post a notice stating the title and the rate of pay of the vacancy. The notice shall remain posted for seven calendar days and any employee who desires to be considered for the vacancy shall apply in writing within that period of time. Probationary employees may not bid on job vacancies.

 For any employee who was not at work for at least two days during this period because he was on vacation or sick leave, this period shall be extended for two working days after he returns from such vacation or sick leave.
 - (b) The Company agrees to post the names of the successful applicant within 90 days of the posting of notice of a vacancy in a job classification. The Company may, however, withdraw notice of job vacancy during the 90 day period and not fill the position.
 - (c) The filling of vacant jobs shall be based on seniority, ability and qualifications being sufficient. In addition to considering the employee's record and past performance, the Company may require the employee to pass reasonable tests - oral, written, or practical - to determine their qualifications. Where the Company is contemplating promoting any one other than the senior applicant, it shall discuss the promotion with the President of Local 467.

- (d) Pending the filling of a vacancy by the procedure in this Section 3, the Company can fill the vacancy by temporary assignment.
 - (e) The President of Local 467 shall be given copies of all job postings and bids and the name of the person awarded the job.
 - (f) The Company will fill the Tuesday through Saturday Service Worker position by bid, seniority, or rotation as requested by the Union.
 - (g) A job shall be filled by an employee in the Division in which the vacancy exists, but if there are no qualified bidders in that Division, then the Company shall consider other Company employees who have bid for the job.
 - (h) An Employee with six (6) months or more of continuous service in accordance with the provisions of this Article may be considered for a bargaining unit job for which (s)he is qualified in another Division, provided: (a) (s)he moves into the commute and/or service area of that Division, and (b) no qualified employee in that Division has bid for such job.
 - (i) If an employee transfers to another Division under this section, (s)he shall retain his/her continuous service earned prior to the transfer.
 - (j) The Company recognizes the individual right of employees to live in the area where they feel represents the most suitable standard of living, however, due to the nature of our business the Company will require that all union employees live within a reasonable response time from their normal reporting place of work. The Union and the Company mutually agree that this response time should be within driving distance to allow the employee approximately 30 minutes to reach the work site. The Company will "grandfather" any current employee living outside this area that was living outside this range at the commencement of this agreement. If an employee that was living outside this approximate 30 minute response time were to move again, they must move to a location that would comply with this agreement. Employees living within the service area are not covered by this approximate time limit.
4. An employee who is awarded a vacancy pursuant to Section 3 or is placed in a job with Company outside this Agreement shall be given 60 days (or such longer period as the Company may permit) in which to learn the duties of that vacancy or job.
- If within this period such employee in the opinion of the Company is unable to learn the duties of the vacancy or job or is found by the Company to be unqualified for the vacancy or job, he may return to his former job classification and any other employees promoted as the result of his promotion can be returned to their former job classification.
5. (a) In filling a vacancy in a job classification in a department in which there are employees on layoff who still have seniority in that department, the Company shall mail such employees a copy of the notice posted under Section 3. Such notice shall be directed to the last mailing address supplied the Company by the employee.

Such employee shall have seven calendar days from the postmark date of such notification to apply in writing for the vacancy. Such applications shall be considered along with other applications in accordance with Section 3.

- (b) An employee on layoff who is selected for a vacancy pursuant to Section 3 must return to work within a period of five calendar days (or such longer period as the Company and the Union may permit) after the postmark date of notification mailed to him of his selection or lose all recall rights under this Agreement.
- (c) A laid-off employee recalled in accordance with the provisions of this section shall have the seniority which he had accumulated as of the date of his layoff.
- (d) Seniority and recall rights shall be lost in accordance with the following schedule:

<u>If Accrued</u> <u>Seniority Is</u>	<u>Seniority Shall Be</u> <u>Lost After Layoff Exceeding</u>
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Under one year.....	period of employment
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One year to ten years.....	one year
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Ten years or more.....	two years
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- 6. The following procedure shall be observed in laying off employees for a period of more than five days:

The employee in the job classification to be reduced who has the least seniority shall be placed in the next lower job classification in his department for which he is qualified. The junior employee in the job classification in which this employee is placed shall then be similarly placed. This procedure shall continue until there is an excess employee who cannot be placed in a lower job classification in his department. If there are employees in the lowest job classification in any other department who have been continuously employed by the Company for a shorter period than the excess employee who cannot be placed in his own department, the excess employee can replace the employee in that job classification having the shortest period of employment if he is qualified to perform the work of that job classification. The replaced employee then has the same right. The employee who cannot be placed in this manner shall be laid off.

- 7. An employee laid off as the result of a permanent reduction in the work force may elect within 30 calendar days to waive his recall rights under Section 5 and accept in lieu thereof 40 hours' pay at nonpremium time at his regular hourly rate for each year of continuous employment up to a maximum of 520 hours. A change in corporate ownership shall not be considered such a reduction.

ARTICLE VI

Hourly Rates

1. For the period of this Agreement, hourly rates of pay shall be set forth in Exhibit A.
2. Should the Company contemplate substantial changes in a job classification or create an entirely new classification, the Company will advise the Union of such changes at least 30 days prior to the proposed effective date of such changes and, during such period, enter into negotiations in an attempt to reach agreement respecting such changes. If the parties do not reach such an agreement, the minimum hourly rate for the new or modified job classification shall be determined by the Company using the wage schedule set forth in Exhibit A as the guide, subject to the right of the Union to grieve the rate determined by the Company.
3. A Plant Laborer may be given training as an Operator by assignment to temporary vacancies in the Operator job classification. When so assigned, the Plant Laborer will be paid his base hourly rate plus three percent of the max hourly rate of the Laborer plus any premium that may be applicable.
4. When Utility Workers are assigned on a temporary basis to perform as a Crew Chief, the Utility Worker will be paid his base hourly rate plus \$0.95 per hour.
5. When an employee is temporarily assigned to a higher rated position, he will receive the rate of pay for the higher position during the time he is performing in the higher rated position. The employee will revert to his old rate upon conclusion of such assignment; except that if the employee works four (4) hours or more in the higher rated position during one shift, the employee shall receive the higher rate of pay for the whole shift.
An employee who is assigned to work in a lower job classification shall not suffer a reduction in his hourly rate while so employed.

ARTICLE VII

Premiums and Guarantees

1. (a) Except for one office building custodian, the standard work day shall consist of 8 consecutive hours except where interrupted by the Company for a lunch period. Shift workers shall work and be paid for eight consecutive hours. A meal period will be taken by the shift worker during the course of the eight hour work period. The meal period will be scheduled so as to not interfere or in any way compromise the functioning of the Water Treatment Plant operations.

The standard work day for the Office Building Custodian shall begin between 5:30 AM - 8:30 AM and end between 4:00 - 6:00 PM.

The standard work day for shift workers shall begin at 6:30 AM, 2:30 PM, and 10:30 PM for the first, second and third shifts respectively.

The standard work day for distribution employees shall begin between 6:00 AM and 8:00 AM. The standard work day for all other employees shall begin between 6:00 AM and 8:00 AM. The standard work week for shift workers in the plant operating department shall be five standard work days. The standard work day for customer service workers shall begin between 6:00 A.M. and 8:30 A.M. Customer service workers shall use 1/2 hour lunch periods. When different shift starting times are employed in the customer service classification, the shift shall be determined by seniority. The standard work week for laborers in the plant maintenance department, employees in the waste treatment department, and utility apprentices shall be five consecutive standard work days. The standard work week for service workers shall generally be five standard work days beginning on Monday and ending on Friday, but may be changed to five standard work days beginning Tuesday and ending Saturday for one service worker. The standard work week for all other employees shall be five standard work days beginning on Monday and ending on Friday. The first day off in employee's work week shall be considered employee's Saturday, and the second day off will be considered his Sunday.

- (b) If an employee has worked sixteen (16) hours or more in a 24-hour period, (s)he shall not, after being released, be permitted to work until (s)he has had ten (10) hours rest.
- (c) When in the course of working overtime, an employee works eight hours overtime between the end of a work shift and the start of the following day's work shift, and the employee works a minimum of one hour between the hours of 11 p.m. and 6:00 a.m., the employee will not be permitted to work until (s)he has ten (10) hours rest.

If, on the employee's Sunday, the employee works eight hours overtime after 4:00 p.m. on Sunday and the employee works a minimum of one hour between the hours of 11:00 p.m. and 6:00 a.m., the employee will not be permitted to work until (s)he has had ten (10) hours rest.

- (d) An employee's regular schedule or standard work week can be departed from to facilitate assigning him to work performed on a shift if he is given at least 24 hours' notice of the contemplated departure. When an employee's regular scheduled working hours are changed with less than 24 hours notice, overtime shall be paid for the hours of work performed outside of normal work scheduled hours. When the situation occurs, the employee will be given the opportunity to work his/her normal 8 hours at straight time pay in addition to the overtime worked. Article VII paragraph 7 (c) is not applicable when this paragraph is in effect.

In the case of employees in the Maintenance Department, a departure from their regular schedule or standard work week made in accordance with the provisions of this sub-section will not involve an overtime or premium pay situation if the shift that they are changed to falls on one of their standard work days. If, however, it requires them to work on one of their scheduled days off in a standard work week which they have already commenced, they will be paid at a rate of 1-1/2 times the applicable hourly rate for work performed on such days.

An employee who has had his regular schedule or standard work week temporarily changed to perform work on a shift will return to his regular scheduled or standard work week immediately upon return of the regular shift worker, and there shall be no premium pay situation involved unless the employee who has been given the temporary assignment works more than 8 hours on that day or 40 hours in that week.

In the event that an employee who has been temporarily rescheduled in accordance with the provisions of this sub-section should be returned to his regular schedule or standard work week under conditions such that he would not have available to him 40 hours of work during the week involved, the Company will make available to him additional work to bring the total work hours for that week up to 40.

The requirement of 24 hours' notice contained in this sub-section is conditioned on the employee involved notifying the Company as soon as possible of a possible absence.

- (e) Subject to the provisions of sub-sections (b), (c), and (d), no employee shall be required to take time off from his regular schedule for overtime worked or to be worked.
 - (f) The Company in its sole discretion may honor requests by employees for temporary changes in their schedules.
 - (g) If two (2) hours or less of the scheduled shift would remain after the ten (10) hour rest period as specified in sub-section b and c has lapsed, the employee is not required to report for the shift and the whole shift shall be considered part of his/her rest period.
 - (h) In the event any part of the ten (10) hour rest period as specified in sub-sections b and c coincides with his/her normal schedule of hours, (s)he shall receive his/her straight time pay for such hours.
2. An employee who on the first day of his standard work week reports to work on time and in condition to perform his work shall be permitted to complete his standard work week or given the equivalent in pay unless instructed not to report to work before he last left work or at least 16 hours before his starting time.
3. It is the policy of the Company to maintain a working force of sufficient size to perform the regular work of the Company bearing in mind the objective of providing stable and regular employment for the employees.

The Company shall have the right to contract for new construction work, snow removal, plant custodial work and lawn maintenance. Additionally, the Company may employ outside contractors or hire temporary employees to maintain service or prevent/minimize the endangerment of life and/or property, but only during an operating emergency.

However, all such contract work shall not cause the layoff or involuntary reduction of force or reduce the hourly rate of pay of any regular employee of the Company.

4. (a) A shift differential of \$0.52/hour shall be paid for all work performed on the second shift which is normally performed on that shift.

- (b) A shift differential of \$0.83/hour shall be paid for all work performed on the third shift which is normally performed on that shift.
 - (c) A split shift premium of 2.1 percent shall be paid the Office Building Custodian for all work performed by him.
 - (d) A premium of \$0.25 cents per hour worked shall be paid for a Class "A" Water Operators Certification License and/or Class "I" Waste Waters Operators Certification License.
 - (e) A premium of \$0.15 cents per hour worked shall be paid for a Class "B" Water Operators Certification License and/or Class "II" Waste Waters Operators Certification License.
 - (f) A premium of \$0.10 cents per hour worked shall be paid for a Class "C" Water Operators Certification License and/or Class "III" Waste Waters Operators Certification License.
 - (g) A premium of \$0.05 cents per hour worked shall be paid for a Class "D" Water Operators Certification License and/or Class "IV" Waste Waters Operators Certification License.
 - (h) A first shift premium of 1.0 percent shall be paid to all persons working the first shift. For the purpose of this Agreement, the first shift shall be defined to be normal day hours worked (shift starting between 6:00 AM to 8:00 AM) on a schedule of work days other than Monday through Friday. The shift premium shall apply to all hours worked during the first shift hours.
 - (i) A premium equal to one half hour straight time hourly wage will be paid to distribution department employees who are required to report to work at a location of work in Kankakee, Bradley, and Bourbonnais other than 1000 S. Schuyler, Kankakee, during normal work week. This premium is applicable to workers assigned to the Kankakee District office only.
5. (a) All work performed in excess of eight hours per day or forty hours per week shall be paid for at the rate of one and one-half times the applicable hourly rate.
- (b) Unless an employee's scheduled days off have been changed pursuant to the provisions of Section 1, all work performed on an employee's scheduled day off shall be paid for at the rate of one and one-half times the applicable hourly rate.
- (c) All work performed on the day a holiday is observed under this Agreement shall be paid for at the rate of one and one-half times the applicable hourly rate. When a holiday falls on an employee's Saturday or Sunday, it shall be observed on the nearest work day.
- (d) No hour worked shall earn more than one of the above premiums. If more than one of the above premiums is applicable, only the highest one shall be paid. These premiums are intended to fulfill any obligations imposed on the Company by law.
6. (a) An employee who reports on time and in condition to work for overtime work which is not consecutive with his standard workday shall receive before being released at least the

equivalent of two hours premium time in the case of one man service or trouble calls received by the "On Call" employee between the hours of 5:30 AM and 12:00 midnight, and three hours premium time in all other cases at the rate of one and one-half times his regular hourly rate of pay unless the Company made a reasonable attempt to notify the employee an hour before he was scheduled to report to work not to report to work. An employee who has been released from work and then is recalled can be treated at the Company's option as having never been released.

- (b) An employee who is called in to complete the shift of a shift worker shall be paid for the full eight hours minus the time for which the employee (s)he replaced was paid. An employee so called in will receive not less than the equivalent of three hours' pay at one and one-half times the applicable hourly rate.
- 7.
- (a) To the extent it is reasonably practicable to do so, the opportunity to work overtime shall first be offered those employees who normally perform that type of work. After an employee has, at his request, been excused from overtime work on two consecutive occasions, the Company shall not be required to afford him the opportunity to perform overtime work until he notifies his supervisor in writing that he is now willing to accept overtime work.
 - (b) Except in the cases governed by sub-sections (c) and (d), the following rules shall apply: The long-range goal of the Company shall be to equalize overtime over the year among the employees in each job classification, but this goal shall not obligate the Company to give the overtime to any particular employee in any particular instance. The Company shall avoid giving an overtime assignment to an employee who at the beginning of that assignment has accrued more than 16 (sixteen) hours of overtime in excess of that accrued by the lowest available employee in that overtime group. An employee who does not wish to accept overtime work will be excused if a qualified replacement can be secured at or below the wage rate he would have been paid. An employee who is, at his request, excused from overtime work shall be credited on the equalization list with the amount of such time that is worked. Overtime lists shall be furnished to the Union quarterly.
 - (c) In the case of shift workers, the overtime shall be offered on the basis of seniority first to those not scheduled to work any hours during the day on which the overtime would begin, then to those already at work, and finally to the other such employees.
 - (d) In the case of one man service or trouble calls, employees listed on the weekly "On Call" posting shall be called. An employee who has signed up and been accepted for inclusion on this list will be paid an additional \$10 per day when in "On Call" status. The "On Call" week will coincide with the pay period.

Employees in the Utility Worker and Meter Service worker job classifications and Distribution Department Laborers at the top of their range will upon request be included on the "On Call" list. Distribution Department Laborers not at the top of their wage scale and Meter Readers may request inclusion on the "On Call" list and such request may be granted or denied at any time by the Company at the Company's sole discretion. If an insufficient number of employees sign up for this list, the Company may utilize for this one man service or trouble call, any qualified person it can reach.

- (c) In the case of Operator's work, any temporary vacancies that occur due to an Operator's first or second day of illness shall be filled by another Operator.
8. (a) During scheduled work periods employees shall furnish their first meal and the Company will furnish a meal after nine (9) hours and every five (5) hours thereafter. Employees will be reimbursed up to \$9.00 for earned meals with presentation of receipt of purchase. Further, if necessary delivery cost to the job site will be reimbursed in full, and the Company has five working days within which to reimburse the employee.
- (b) Employees called back to work without at least 1 (one) hour's advance notice shall, to the extent consistent with the expeditious performance of the work, be furnished a suitable meal at the end of the first four hours or next normal meal time, whichever is earlier, and at the end of each 5 (five) hour period thereafter.
9. Pay period will commence with the first shift or regular work schedule starting on alternate Mondays and extend for a two-week period ending with the last shift or regular work schedule beginning on Sunday. Paydays shall be on Friday following the end of the pay period. If an error is made and an employee is underpaid \$80 (eighty dollars) or more, the Company will issue a payroll check for the gross amount within (7) seven calendar days of the payday.
10. Premiums will be paid to employees performing certain tasks. These tasks consist of: (a) climbing on elevated tanks or standpipes to a height greater than forty (40) feet above ground level; and (b) diving, with breathing apparatus, to inspect, repair, or install underwater facilities of the Company.

In the case of "Climbing," the premiums will be an additional one times the employee's otherwise applicable hourly rate. In the case of "Diving," the premium will be an additional two times the employee's otherwise applicable hourly rate.

As a safety precaution, the Company agrees to have a person stationed on the ground, with radio equipment available, during any periods when one or more persons are "Climbing."

No employee shall be required to perform the "Diving" task.

The premium shall be paid to the next higher full hour for time actually spent in performing the task; i.e., if the task takes 15 minutes, the premium will be paid for one hour; if the task takes 15 minutes and is performed twice within an hour, the premium will be paid for one hour; if a 15 minute task is performed twice in a span of time in excess of one hour, the premium will be paid for two hours.

11. Employees will be reimbursed at the current rate approved by the U.S. Internal Revenue Service for use of their vehicles on Company business. The Company cannot require any employee to use their vehicles on Company business. It is understood that the employee is responsible for furnishing their own transportation to and from the location where they are directed to report to work at the start of their standard day. For any travel to a location other than where the employee started their standard day, the Company will furnish transportation to and from such location or reimburse the employee for using their vehicle in the event the Company requests such use and the employee consents.

12. If a crew is to be called out while a service worker is working on a Saturday, the supervisor will attempt to fill out the crew with distribution department personnel. The service worker at work may be utilized until sufficient numbers of distribution department personnel report to work or if fewer than needed distribution department personnel are available for the task at hand.
13. During the period of this Agreement, "The CWC Employee Bonus Plan of Consumers Water Company" (as per exhibit E) shall be applicable to employees covered under this Agreement.

ARTICLE VIII

Holidays, Vacation, Sick Leaves, and Leaves of Absence

1. (a) The following days shall be observed as holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day. By department, half of the employees shall observe a holiday on Christmas Eve and the other half shall observe a holiday on New Year's Eve.
A one (1) time method of determining which employee works which holiday will be provided to the Company by the Union. When one of these days falls on an employee's Saturday or Sunday, it shall be observed on the nearest weekday.
In addition, each employee who has completed his probationary period may each year observe a Personal Business Day and each employee who has completed one year of employment may each year observe three (3) Personal Business Days. Said Personal Business Days shall be scheduled by the employee and the Company to avoid interruption of the operation of the Company.

Employees not on layoff or leave of absence shall be paid for eight hours at nonpremium time at their regular hourly rates for each day observed as a holiday. An employee absent on a day he was required to work immediately before or after a day observed as a holiday shall not be paid for the day observed as a holiday unless he was on sick leave.
- (b) Personal Business Days may be taken on calendar Saturdays and Sundays with prior approval of the Company and a minimum of two weeks' request.
2. (a) For each full calendar year of employment, an employee will earn vacation in accordance with the following schedule:

<u>Number of Full Calendar Years Employed</u>	<u>Vacation Earned</u>
One year through 5 years.....	two weeks
6 Years through 14 years.....	three weeks
15 Years through 23 years.....	four weeks
24 Years and over.....	five weeks

Except as provided for in paragraph (c) below, vacation earned in one calendar year will be taken in the following calendar year.

Vacations must normally be taken in units of weeks coinciding with the employee's regularly scheduled work week. One week of vacation may, however, be taken in periods of less than one week with prior approval of the Company and a minimum of two weeks' request. Such approval will not be given in instances where the terms of the Agreement would create an automatic overtime situation in replacing the employee requesting approval.

Vacation shall be compensated for at the employee's regular hourly rate at nonpremium time. If a holiday is observed during an employee's vacation, he shall be given an extra day.

- (b) A starting employee who works 200 or more days in his first calendar year of employment shall be considered to have worked a full calendar year. A starting employee who works less than 200 days during his first calendar year will earn vacation on a pro rata basis of days actually worked to 200 days, but the year will not be considered as a full calendar year in determining future vacation benefits.

In the case of full-time employees who have completed their first year of employment but who have not worked 200 days during a given year, vacation time will be earned on a pro rata basis of days actually worked to 200 days except where an employee resigns without advance notice of two weeks, but such year shall be considered a full calendar year for purposes of determining the number of full calendar years of employment.

- (c) Employees with six or more years of full calendar employment may carry forward up to one week (5 days) of earned vacation, from the calendar year during which the employee is eligible to take it, to the following calendar year.
- (d) A tentative schedule of vacations will be prepared by the Company taking into consideration (i) the convenient and efficient operation of the Company and (ii) the periods preferred by the employees on basis of seniority. No preference will be considered unless submitted in writing prior to February 1st of the year desired.

- 3. (a) An employee shall earn sick leave for bona fide inability to work at the rate of $\frac{1}{2}$ hour for each day, eight hours or more, actually worked by him. Sick leave shall be compensated for at the employee's regular hourly rate of nonpremium time for those hours he would have worked had he been available for work, up to 8 hours a day, five days a week. Payments made under the Company's Workmen's Compensation Insurance shall be deducted from sick leave pay. Sick leave is not available for time lost due to accident or illness resulting from outside employment. To qualify for sick leave, the employee must notify his supervisor before the employee's starting time for the first day of absence and the employee must keep the Company informed as to the probable length of his absence, and the employee, if requested to do so, must secure a certificate from a physician approved by the Company describing the nature of the employee's illness or accident and the period for which he was or will be unable to work.
- (b) Sick leave will accumulate for use in case of sickness as defined by the paragraph Article VIII paragraph 3 (a). Employees will not be compensated for sick leave not used except those employees with accumulated sick leave under provisions of the Union Contract expired on December 31, 1992, who have not received compensation for credited sick

leave. Exhibit C lists employees and accumulated sick leave subject to provisions of previous Contracts.

- (c) The Company may, at any time in 1993, offer to purchase sick leave from those employees listed on Exhibit C who have accumulated sick leave under the provisions of the Union Contract that expired on December 31, 1992. Each hour of such accumulated leave will be purchased at a rate of twenty percent of the employee's 1993 hourly wage rate. Such offer, if made, shall be made by the Company presenting a written agreement to each employee listed on Exhibit C. It shall be within the sole discretion of each employee listed on Exhibit C to decide whether to accept the Company's offer. The payment described in this subparagraph shall not be made until after the employee executes the written agreement presented to him by the Company.
- 4.
 - (a) One day of sick leave can be used by an employee to attend his wife on the day she gives birth to their child.
 - (b) One day of sick leave can be used by an employee to attend the funeral of an aunt, uncle, niece, nephew, grandmother, grandfather, grandchild, first cousin, brother-in-law, sister-in-law or spouse's grandparents.
 - (c) In the event of the death of an employee's spouse, child, parent, sibling, or spouse's parent, the employee may take up to three days with pay to attend the funeral and to fulfill other legitimate obligations in connection therewith.
 - 5. An employee may, for justifiable reasons, be granted a leave of absence without pay, provided the conditions of work are such that his services can be spared. During such a leave of absence, seniority shall continue to accrue. If an employee overstays such leave, or if he accepts employment elsewhere during such leave without consent of the Company, he shall be considered to have resigned. Upon the expiration of the leave, the employee shall be returned to his job classification and other employees who have been promoted or transferred as the result of such leave may be returned to their former job classifications.
 - 6. The Company shall post at least once a year a list showing each employee's accrued sick leave and vacation time. Such lists shall be considered correct except to the extent written objection thereto is filed within 30 days after they are posted.
 - 7. An employee serving on a jury or appearing in court as a witness pursuant to a subpoena shall be paid the difference between the compensation received and the nonpremium compensation he would have been paid for his standard work week.
 - 8.
 - (a) An employee in the National Guard or a reserve unit of the Armed Services who is called for special riot duty shall be paid for a maximum of two weeks the difference between the compensation received and the nonpremium compensation he would have been paid for his standard work week.
 - (b) An employee who is ordered to take a physical examination for possible induction in the Armed Services shall be paid for a maximum of 8 hours for time lost from his standard workday.

ARTICLE IX

Medical and Pension Benefits

1.
 - (a) During the period of this Agreement, the Company shall continue to make available life and medical benefits, by insurance or otherwise, substantially comparable to those outlined in Exhibit B.
 - (b) During the period of this Agreement, the Company will pay all of the premium cost for the individual employee, with a \$200.00 deductible. The employee will contribute 15% (percent) of the cost of this benefit, through payroll deductions, for dependent and family coverage.
 - (c) If an employee becomes disabled (except as a result of outside employment for other parties or self employment), the Company will continue to pay the same amount toward life and medical insurance plans as it was paying at the time of the disability so long as the employee remains disabled or until he becomes eligible for retirement under the Company's Pension Plan.
 - (d) For employees retired under the Company's Pension Plan, the Company will pay the monthly premiums for the retiree's life insurance and health insurance provided the health insurance premium doesn't exceed \$90.02.
For retirees prior to January 1, 2000 desiring dependent coverage for their spouse, the cost of such coverage shall be paid by the Company provided said spouse is eligible for Medicare. If said spouse is not eligible for Medicare, the Company will contribute toward the cost of dependent coverage an amount equal to what it would pay if said spouse were eligible for Medicare.
Employees retiring after January 1, 2000, and desiring dependent coverage for their spouse will be responsible for the cost of such coverage.
2.
 - (a) During the period of this Agreement, the "Retirement Plan for Employees of Consumers Water Company" (February 1993 Plan) shall be applicable to employees covered under this Agreement.
 - (b) In the event that the Company elects to further amend the plan, the Company shall advise the Union of said amendment and the Union shall have the right to open this contract for the purpose of negotiating for inclusion of the employees covered under this Agreement under the terms of the new amendment.
3.
 - (a) Consumers Water Company has adopted a savings plan (Consumers Water Company 401(k) Savings Plan and Trust) to be available to all employees of Consumers Water Company and its subsidiary companies except those employees who are members of bargaining units which have not specifically bargained for inclusion in said Plan.

- (b) The members of Utility Workers Union of America AFL-CIO, Local 467 have bargained for inclusion in the Plan effective January 1, 1987, under the same terms and conditions as other employees of Consumers Water Company and its subsidiaries who are eligible to participate in the Plan.
 - (c) It is understood and agreed that Consumers Water Company may at its sole election discontinue said Plan on any anniversary date thereof. The right of members of Local 467 to participate in this Plan shall only exist to the extent that the Plan is available to other employees of Consumers Water Company and its subsidiaries.
- 4. The members of Utility Workers Union of America AFL-CIO Local 467 have bargained for inclusion of the benefits of the Short Term Disability Plan and Long Term Disability Insurance of the Company in accordance with Exhibit B.
 - 5. The members of Utility Workers Union of America AFL-CIO Local 467 have bargained effective January 1, 1990, for inclusion of an Alcohol and Drug Policy as a part of this Agreement. The "Policy" is attached as Exhibit D.

ARTICLE X

Clothing

- 1. The Company shall furnish, maintain, and launder any uniforms which it requires its employees to wear. These uniforms shall remain the property of the Company and shall be used only as directed by the Company.
- 2. Any employee who agrees to wear a uniform designated by the Company will receive up to a maximum of four work shirts and pants a year. The Company may establish rules and restrictions on the use and care of such uniforms.
- 3. The Company will provide a Clothing Allowance of a maximum of \$200 per year, for the purchase of coveralls, jackets, and shoes subject to rules and restrictions as established by the Company. An employee using the allowance will be required to provide receipts of said purchases. The Company has five (5) business days to reimburse employees.
- 4. Raincoats, rainpants, and work gloves shall be furnished employees who are required to work under conditions which in the Company's judgment require such protection. A supply of hip boots shall be maintained by the Company for use whenever they are deemed necessary by the Company. These items shall remain the property of the Company and shall be used only as directed by the Company. New work gloves will be furnished only after the old work gloves have been returned to the Company.

5. Equipment, tools, or clothing issued to an employee for his individual use shall be reasonably cared for by the employee. He may be requested to acknowledge receipt of the issued items noting the condition of the items when received.

ARTICLE XI

Grievances and Arbitration

1. The parties, having already fully bargained about all matters concerned with wages, hours, and other terms and conditions of employment and having incorporated the result of this bargaining into this agreement, will bargain collectively about any bona fide dispute concerning the interpretation of this Agreement.
2. Collective bargaining on any bona fide dispute concerning the interpretation of this Agreement shall be carried on in the following manner without interruption of the work:

First Step: The aggrieved employee and his immediate supervisor shall consider the dispute.

Second Step: If the dispute is not settled by the aggrieved employee and his immediate supervisor and if a written grievance is submitted by the Union to the Company within 14 calendar days after the occurrence of the Company action which is the subject of the grievance, the dispute shall be considered by the President of the Local and the Division Manager. The Company shall give the President of the Local a written answer to the grievance within 14 calendar days after this meeting.

Third Step: If the dispute is not settled at the second step and if the Union appeals in writing within 14 calendar days after receiving the Company's answer, a representative of the International and/or the President and one other officer of the Local, and the President of the Company shall consider the dispute. The Company shall give the Union a written answer within 14 calendar days after this meeting.

All disputes over disciplinary action which results in lost pay shall begin at this step.

3. If any bona fide dispute concerning the interpretation of this Agreement is not resolved in the grievance procedure to the satisfaction of the Union and the Union files a written request within 14 days after the Company's written answer at the third step, the dispute shall be submitted to an arbitrator selected by mutual agreement of the parties. If the parties cannot agree on an arbitrator, an arbitrator shall be selected pursuant to the rules of the American Arbitration Association. The fees and expenses of the arbitrator shall be paid jointly by the Union and the Company.
4. The remedy for any good faith misapplication of the overtime provisions shall be the opportunity to work compensatory overtime in the future as the need for such overtime arises.